

## REQUEST FOR COUNCIL ACTION

**SUBJECT:** Retention of a Lobbyist for representation of the City's interest in regard to the state statute regulating locations of auto dealerships.

**SUMMARY:** Approve payment of \$60,000.00 to Foxley & Pignanelli for a one year contract spanning the 2015 legislative session to represent the City's interest to state officials regarding auto dealership regulations.

**FISCAL IMPACT:** The contact is \$60,000 for a one year period, payable in increments of \$5,000 per month.

**STAFF RECOMMENDATION:**

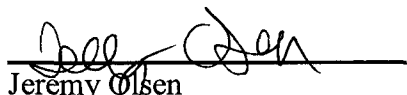
Staff recommends approval of the contract.

**MOTION RECOMMENDED:**


"I move to approve the contract with Foxley & Pignanelli to represent the City's interest in repealing or significantly amending the state's auto dealership statute for the 2015 legislative session."

Roll Call vote required

**Prepared by:**

  
Jeremy Olsen  
Assistant to the City Manager

**Recommended by:**

  
Rick Davis  
City Manager

**BACKGROUND DISCUSSION:**

The Honorable Mayor and City Staff meet with interested lobbyist firms prior to the beginning of the fiscal year to determine their availability and suitability to represent the City during the upcoming 2015 legislative session. The City has previously selected the firm of RRJ Consulting to represent the City regarding transportation and infrastructure projects.

After completion of the interviews, the review panel selected the Foxley and Pignanelli firm as the best qualified to represent the City's interests in matters related to modifying, repealing, or amending the current state regulations regarding new automobile dealer locations.

The proposed contract would be effective for the City's 2015 Fiscal Year in the amount of \$60,000, payable in monthly installments. The contract would be effective for the 2015 legislative session, and will cease June 30, 2015.

# THE CITY OF WEST JORDAN, UTAH

A Municipal Corporation

## RESOLUTION 14-135

**A RESOLUTION AUTHORIZING THE MAYOR TO EXECUTE A CONTRACT WITH FOXLEY & PIGNANELLI TO PERFORM LOBBYING AND CONSULTING SERVICES ON BEHALF OF THE CITY WITH THE UTAH STATE LEGISLATURE, THE UTAH GOVERNOR'S OFFICE, THE UTAH STATE DEPARTMENT OF COMMERCE, AND OTHER PERTINENT AGENCIES.**

Whereas, the City of West Jordan desires to expand its state legislative advocacy efforts in the Legislature of the State of Utah; and

Whereas, the City desires to assemble and organize pertinent information, facts, and data relating to legislative matters affecting the City and its residents, and to present and disseminate such information to legislative bodies, executive officials of the state government, and other State of Utah bodies, departments, commissions, committees and organizations; and

Whereas, the services above primarily involve state legislative and administrative advocacy and that the City Council of West Jordan has determined that Foxley & Pignanelli can competently provide these services in a timely, reliable, and professional fashion; and

Whereas, the City Council has determined that the attached contract with Foxley & Pignanelli for lobbying and consulting services, for an amount not to exceed \$60,000, is acceptable for said services for the duration of the 2015 legislative session,

NOW THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF WEST JORDAN, UTAH, THAT:

*Section 1.* After approval as to legal form by the City Attorney, the Mayor is hereby authorized to execute the contract with Foxley & Pignanelli for the retention of the firm for lobbyist services.

*Section 2.* This resolution shall take effect immediately.

Adopted by the City Council of West Jordan, Utah this 30<sup>th</sup> day of July 2014.

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Mayor Kim V. Rolfe

ATTEST:

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Melanie S. Briggs, MMC  
City Clerk

Voting by the City Council:

"AYE"

"NAY"

Jeff Haaga  
Judy Hansen  
Chris McConnehey  
Chad Nichols  
Ben Southworth  
Justin D. Stoker  
Mayor Kim V. Rolfe

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July 1, 2014

Kim Rolfe  
Mayor, City of West Jordan  
8000 S. Redwood Rd.  
West Jordan, Utah 84088

Richard Davis  
City Manager, City of West Jordan

Dear Mayor Rolfe, Mr. Davis and Councilmembers,

On behalf of our firm, thank you for agreeing to retain Foxley & Pignanelli for the services described herein for the 2014-2015 calendar year. We are proud to represent the dynamic City of West Jordan while it solidifies its position as the economic hub of the Salt Lake Valley.

As you know, our firm has decades of experience in Utah government and political activities. This includes strong relationships with federal, state and local officials. Foxley & Pignanelli is honored to represent West Jordan and eager to put our services to work for you.

Based upon our conversations, we will provide a governmental and public affairs effort, commencing July 1, 2014, to include the following:

1. Foxley & Pignanelli will refine, with input and guidance from you and appropriate West Jordan representatives, the government relations and public affairs proposal to benefit West Jordan (Attached hereto as Exhibit A). This may include discussions and meetings with the Governor's office, key lawmakers, the Department of Commerce, city officials in other communities and other public entities that are pertinent to amending the New Motor Vehicle Franchise Act and other objectives identified as important to West Jordan in Utah.
2. Discussions with legislators and other officials will be coordinated and undertaken by Foxley & Pignanelli.
3. Under the supervision of West Jordan, Foxley & Pignanelli will coordinate any media and/or community activities that West Jordan and Foxley & Pignanelli believe are necessary to complement and support our efforts.
4. Foxley & Pignanelli will communicate, as jointly determined, with special-interest groups, business organizations, and other interested parties the necessity of our objectives, and develop common interests as appropriate.

5. Foxley & Pignanelli will assist West Jordan in the development of a program to maintain long-term relationships with legislators, policymakers and members of the business community.
6. Foxley & Pignanelli will work with individuals West Jordan may designate in the development of any materials and information that are to be used in any discussions with elected and appointed officials.
7. Foxley & Pignanelli, under your direction, will maintain communications and discussions with the Governor's office, key lawmakers, the Department of Commerce and other entities that further the objectives identified by West Jordan and Foxley & Pignanelli.
8. West Jordan has been advised of Foxley & Pignanelli's relationships with third parties that may present a conflict of interest or that may prevent Foxley & Pignanelli from carrying out the terms of this Agreement.

Foxley & Pignanelli respectfully submits the following compensation for its representation of West Jordan:

- a. A retainer of \$5,000 per month commencing July 1, 2014;
- b. This retainer is exclusive of any extraordinary expenses that Foxley & Pignanelli and West Jordan may jointly agree are necessary (i.e. media activities, any large-scale meals and other efforts with officials);
- c. All reasonable in-state transportation, telephone, mailing, nominal meals and meeting expenses and other related costs are included in this retainer; and
- d. Either party may terminate with 30 days notice.

Please let us know where any invoices, notices and other such communications should be sent.

Thank you again for considering Foxley & Pignanelli to assist West Jordan in its important endeavors. We are looking forward to working with you.

Sincerely,

/s/ Doug Foxley

/s/ Frank Pignanelli

FOXLEY & PIGNANELLI  
60 S. 600 E. Ste. 150  
Salt Lake City Utah, 84102  
(801) 355-9188

Approved: \_\_\_\_\_

Name / Title: \_\_\_\_\_

*[Remainder of page intentionally left blank]*

Exhibit A



60 South 600 East  
Salt Lake City, UT 84102  
T: (801) 355-9188  
F: (801) 328-3388  
[foxpig@fputah.com](mailto:foxpig@fputah.com)  
@foxandpig  
[www.fputah.com](http://www.fputah.com)

## GOVERNMENT & PUBLIC AFFAIRS PROPOSAL

By: Foxley & Pignanelli  
For: West Jordan City  
June 2014



## OVERVIEW

Over the past decades, the City of West Jordan has emerged from rural outpost to one of the fastest growing cities in the country and the fourth-largest city in the State of Utah. With this comes challenges demanding a government and public affairs team to help ensure the City can foster enduring economic development and can provide the quality municipal services its residents have become accustomed to.

With the guidance of West Jordan City, the Foxley & Pignanelli team hopes to partner with the city in navigating Utah state political issues associated with recruiting, siting, and locating one or more new automotive dealerships to the community. Foxley & Pignanelli will work closely with the City to create a strategic plan and develop the best course of action to identify any obstacles, organize resources, and develop solutions. Foxley & Pignanelli hope to play an important role in continuing to advance West Jordan's dynamic vision for the future.

## OBSTACLES TO BE ADDRESSED ON BEHALF OF WEST JORDAN

In order for West Jordan to reach its full potential, certain obstacles will need to be addressed. With West Jordan's guidance, Foxley & Pignanelli can identify such obstacles and create a plan that fits West Jordan's needs.

- **Engaging communities with similar needs** - The "Western Growth Coalition" will be instrumental in demonstrating the need for new dealerships as well as the inequities created under existing statutes. By recruiting more communities to coalesce around this argument it will both insulate West Jordan from any potential backlash and demonstrate the widespread support for reform.
- **Dealers** - There will be strong opposition from several big-named dealers of any type of reform to current zoning requirements. These dealers are viewed by many legislators as pillars in their community. They may also serve in religious leadership capacities, or be boosters and supporters of community, school, and other local events. As such, we will need to have a well-organized base of supporters in order to neutralize this obstacle. To help this fight, we have identified several dealers who may be willing to question the dealer trade association's existing policies in order to open facilities along the western edge of the valley--but are currently being stopped by their competitors.
- **Existing statutes**
  - **Committee makeup.** The current committee makeup has the authority to approve or deny any new dealerships. We will push proposals

that alter and limit the self-serving mentality of the committee. Possible options would be to dilute existing members influence with new members, or to eliminate the board altogether.

- **Zoning & statutory barriers.** New or amended statutes may be required to facilitate any land use control issues that arise for West Jordan. Foxley & Pignanelli have years of experience working with clients to find legislative solutions to various land use needs.

## RESOURCES AND SOLUTIONS

Foxley & Pignanelli shall address the above obstacles, with the following resources and others as such opportunities arise:

- **Coalition building**

- **Manufacturers.** Foxley & Pignanelli have worked for several years with the Alliance of Automobile Manufacturers. The Alliance's experience across the country demonstrates Utah has some of the most restrictive and anti-competitive laws in the country regarding establishing a new dealership. With their expertise and broad knowledge, we will be able to leverage this insight when speaking to legislators, gathering information, and preparing presentations for committee meetings.

- **Other cities.** There are several other cities along the Wasatch Front (but not members of the Western Growth Coalition) that would like to recruit new auto dealerships were it not for the overly restrictive laws currently in place. By organizing these cities and engaging their mayors and city council members, we will have a greater impact on legislators who will represent these areas.

- **League.** Foxley & Pignanelli's close relationship with the Utah League of Cities and Towns cannot be understated; we even office next door. Our frequent partnerships with the League will be particularly advantageous when recruiting other communities in need, but has other potential for other utility. Having direct access to the League's existing base of knowledge and vast strategic resources will better help us deal with this issue. While they are unlikely to publicly support a statutory change (the issue divides its membership), they can still be helpful behind the scenes.

- **Legislative champions** - There are several sitting and soon-to-be elected legislators who are passionate about this issue, primarily Rep. Mike McKell and Kim

Coleman (who will likely be elected this November). McKell has opened a bill file regarding this topic and is prepared to present it this summer or fall in interim session. He may keep this bill or give it to Coleman to take the lead on. Either way, the tandem support of these two Representatives will be critical in the House. In the Senate, Diedre Henderson will be a significant player and supporter of our goals. There are a handful of other free market promoting legislators (Sens. Stephenson and Osmond) who we will work with to cultivate their support around this issue.

- **Media strategy** - Foxley & Pignanelli represent the Utah Media Coalition and the Utah Press Association. Frank Pignanelli writes a weekly column for the Deseret News as well. We have longstanding relationships with Utah media leaders and have successfully overseen several successful public relations campaigns. These relationships and skills will be applied to exposing the market competition barriers to the current system and promoting the economic vitality of the city.
- **GOED strategy** - Foxley & Pignanelli maintains important relationships with GOED leadership and board members. There may be an opportunity to involve GOED as an unbiased third party who can assist in illustrating the economic impact of dealerships in communities and even outline the monopoly some of these dealers have on certain growing communities such as West Jordan.
- **Recruiting dealers** - Foxley & Pignanelli are aware of at least one significant Utah dealer who would be interested in opening an auto dealership in West Jordan. This piece is significant for several reasons, first it demonstrates there is economic opportunity for a dealership in West Jordan and the current laws are prohibiting it. It also will help to fracture the opposition so the dealers association will not be able to work against our efforts as effectively.
- **Y<sup>2</sup> Analytics** – Foxley & Pignanelli works closely with Y<sup>2</sup> Analytics, the polling and data analysis company founded by political insider Dave Hansen along with Quin Monson and Kelly Patterson of Brigham Young University's Center for the Study of Elections and Democracy. Over the years many of our clients have benefited from our selectively implemented data driven approach to political and public advocacy.

## TIMELINE

The following timeline represents some of the initiatives Foxley & Pignanelli can implement for West Jordan. This timeline will be further refined once we learn more about West Jordan's strategy and vision.

June - July 2014	- Meet and discuss proposal with West Jordan Municipal
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	officials and other area government and community leaders. - Secure support from other coalition members. - Hold strategy meetings with ULCT and various state legislative leaders that represent communities seeking to recruit new dealerships. - Approve public affairs strategy.
August - September 2014	- Meet with additional legislators to begin outlining legislative changes and discuss bill language. - Meet with GOED to ascertain any data or support they may be willing to provide to support our case. - Meet with interested dealer to solicit their support for legislative changes. - Present at an interim committee hearing.
October - November 2014	- Continue meetings with key legislators regarding the community and government coalition's vision and legislation. - Legislative event at West Jordan Music Festival.
January 2015	- Legislative session begins. - Present at legislative committees.
February - March 2015	- Legislative session continues.
April 2015	- Assess previous year's outcomes. - Develop goals and strategy for upcoming year.

## FOXLEY & PIGNANELLI - GOVERNMENT RELATIONS/PUBLIC AFFAIRS CREDENTIALS

Established in October 1997, Foxley & Pignanelli is the preeminent government and public affairs firm in Utah. The firm represents a number of large organizations and businesses with operations throughout the Intermountain West. For several years, Foxley & Pignanelli has represented a number of prominent international, national and Utah based companies and organizations (a full listing is attached and available at [www.fputah.com](http://www.fputah.com))

Foxley & Pignanelli was awarded "Best of State" for Government Relations in 2014. This prestigious award recognized the contributions the firm has made to the community and the lobbying profession.

The senior principal of the firm, **Douglas S. Foxley**, is continually recognized by local media as the leading government relations expert in Utah. A practicing attorney, Mr. Foxley has been a major presence in Utah politics and legislative activities since 1982. Foxley is

consistently retained as senior advisor to Utah's top political campaigns, including Jon Huntsman for governor (2004, 2008) and Sen. Orrin Hatch (2012)

**Frank R. Pignanelli** served in Utah State Legislature for ten years, six as the Minority Leader of the Utah House of Representatives. Also a practicing attorney, Mr. Pignanelli was active in general litigation until 1993 when he was hired by Blue Cross Blue Shield of Utah to serve as Vice President and General Counsel. Mr. Pignanelli is a weekly local columnist for the Deseret News.

Every fall semester, Doug Foxley and Frank Pignanelli teach an upper division class at the University of Utah Hinckley Institute Of Politics. This course instructs and trains selected students to develop and initiate political and public affairs campaign plans.

**Renae Cowley** and **Stephen Foxley** are recent full-time additions to the Foxley & Pignanelli team. Renae graduated from Utah State University, and has been a valued political consultant and fundraiser on several local and statewide races across the Intermountain West. Stephen is a recent graduate of the University of Utah College of Law. He served as a Senate Page for U.S. Senator Bob Bennett, and worked on the 2006 re-election campaign for Senator Hatch.

## PROPOSED FEES

The services described above are extremely labor intensive and will require tremendous time and effort by Foxley & Pignanelli. Foxley & Pignanelli proposes a rate of \$5,000 per month total from July 1, 2014 through June 30, 2015 to implement the Strategic Plan as described above. Foxley & Pignanelli does not anticipate retaining additional paid consultants. However, should consultants be needed, they will be selected with the express approval of West Jordan, and will possess specific expertise and focus to achieve West Jordan's objectives. Foxley & Pignanelli will provide direction and supervision to other involved parties to ensure completion of goals and objectives. All normal office costs and expenses are included in this fee. External research or other work conducted by outside consultants, if any, is exclusive of this fee.

Foxley & Pignanelli would consider it an honor to work with a city of such high caliber and strong vision as West Jordan. We know Utah's fourth largest the city is a thriving economic center, leader in Utah business and social development, and a pleasant community for residents to live and work. We hope to have the opportunity to share your story and advocate for West Jordan throughout Utah and in Washington, D.C.

Should you have any questions regarding our proposal, please contact us at your earliest convenience.

Respectfully submitted,

/s/ Douglas S. Foxley

/s/ Frank R. Pignanelli

Foxley & Pignanelli  
60 South 600 East Suite #150  
Salt Lake City, UT 84102  
(801) 355-9188  
Web: [www.fputah.com](http://www.fputah.com)  
Email: [foxpig@fputah.com](mailto:foxpig@fputah.com)  
Twitter: @foxandpig